

CITY OF YATES CENTER, KANSAS

**FINANCIAL STATEMENT
AND
INDEPENDENT AUDITOR'S REPORT**

December 31, 2015

City of Yates Center, Kansas

TABLE OF CONTENTS
Year ended December 31, 2015

	<u>Statements</u>	<u>Page</u>
Independent Auditor's Report		1
Financial Statement		
Summary Statement of Receipts, Expenditures and Unencumbered Cash	1	3
Notes to Financial Statement		5
Regulatory Basis Supplementary Information	<u>Schedule</u>	
Summary of Expenditures – Actual and Budget	1	13
Schedule of Receipts & Expenditures – Actual & Budget –General Fund	2a	14
Schedule of Receipts & Expenditures – Actual & Budget –Special Highway	2b	17
Schedule of Receipts & Expenditures – Actual & Budget –Library	2c	18
Schedule of Receipts & Expenditures – Actual & Budget –Recreation Commission	2d	19
Schedule of Receipts & Expenditures – Actual –Lincoln Park Memorial	2e	20
Schedule of Receipts & Expenditures – Actual & Budget –Special Law & Emergency Vehicles	2f	21
Schedule of Receipts & Expenditures – Actual & Budget –Special Parks & Recreation	2g	22
Schedule of Receipts & Expenditures – Actual & Budget –Municipal Equipment	2h	23
Schedule of Receipts & Expenditures – Actual & Budget –Multi-Year Capital Improvement	2i	24
Schedule of Receipts & Expenditures – Actual & Budget –Fire Protection	2j	25
Schedule of Receipts & Expenditures – Actual –Ball Field Improvements	2k	26
Schedule of Receipts & Expenditures – Actual & Budget –Economic Development	2l	27
Schedule of Receipts & Expenditures – Actual –Water Rescue	2m	28
Schedule of Receipts & Expenditures – Actual –Light Hardware	2n	29
Schedule of Receipts & Expenditures – Actual & Budget –Special Recreational Facilities	2o	30
Schedule of Receipts & Expenditures – Actual –Police Department Special Account	2p	31
Schedule of Receipts & Expenditures – Actual & Budget –Sewer Replacement	2q	32
Schedule of Receipts & Expenditures – Actual –Sewer Debt Service	2r	33
Schedule of Receipts & Expenditures – Actual & Budget –Water Reserve	2s	34
Schedule of Receipts & Expenditures – Actual & Budget –Waterworks	2t	35
Schedule of Receipts & Expenditures – Actual & Budget –Sewer	2u	36
Related Municipal Entities:		
Schedule of Receipts and Expenditures – Actual – Carnegie Public Library	2v	37
Schedule of Receipts and Expenditures – Actual – Recreation Commission	2w	38
Agency - Schedule of Receipts and Disbursements	3	39

INDEPENDENT AUDITOR'S REPORT

City Commissioners
City of Yates Center
Yates Center, Kansas

Report on Financial Statements

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Yates Center, Kansas and related municipal entities, as of and for the year ended December 31, 2015 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note C to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note C of the financial statement, the financial statement is prepared by the City of Yates Center, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note C and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.



Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis of Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Yates Center, Kansas as of December 31, 2015 or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Yates Center, Kansas as of December 31, 2015, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note C.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditure – actual and budget, individual fund schedules of regulatory basis receipts and expenditures – actual and budget, schedule of regulatory basis receipts and expenditures – agency funds, schedule of receipts and expenditures – actual and budget – component unit (Schedules 1, 2, 3, and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note C.

Prior Year Comparative

The 2014 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures - actual and budget (Schedule 2 as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2015 basic financial statement upon which we have rendered an unmodified opinion dated May 11, 2016. The 2014 basic financial statement and our accompanying report are not presented herein, but available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2014 comparative information is the responsibility of management and was derived from and related directly to the underlying account and other records used to prepare the 2014 basic financial statement. The 2014 comparative information was subjected to the auditing procedures applied in the audit of the 2014 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2014 basic financial statement or to the 2014 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2014 comparative information is fairly stated in all material respects in relation to the 2014 basic financial statement as a whole, on the basis of accounting described in Note C.



Agler & Gaeddert, Chartered
May 11, 2016

City of Yates Center, Kansas

**SUMMARY OF CASH RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS
For the Year Ended December 31, 2015**

	Beginning Unencumbered Cash	Prior Year Cancelled Encumbrances
Governmental type funds		
General	\$ 481,374	\$ 0
Special Purpose		
Special Highway	70,122	0
Library	11,944	0
Recreation Commission	5,404	0
Lincoln Park Memorial	11,808	0
Special Law and Emergency Vehicle	212,743	0
Special Parks and Recreation	3,502	0
Municipal Equipment	89,042	0
Multi-year Capital Improvement	46,373	0
Fire Protection Reserve	43,341	0
Ball Field Improvements	15,043	0
Economic Development	67,036	0
Water Rescue	3,721	0
Special Recreational Facilities	101,814	0
Police Department Special Account	5,939	0
Sewer Replacement	127,900	0
Sewer Debt Service	58,245	0
Water Reserve	179,130	0
Business funds		
Waterworks	477,320	0
Sewer	14,982	0
Total primary government	<u>2,026,783</u>	<u>0</u>
Related Municipal Entities		
Carnegie Public Library	110,275	0
Recreation Commission	9,724	0
Total related municipal entities	<u>119,999</u>	<u>0</u>
Total reporting entity (excluding agency funds)	<u>\$ 2,146,782</u>	<u>\$ 0</u>
Composition of ending cash		
Demand deposits		
Yates Center Bank Branch - City		\$ 470,572
Yates Center Bank Branch - Carnegie Public Library		5,574
Yates Center Bank Branch - Recreation Commission		6,686
Time deposits		
Yates Center Bank Branch - City		1,781,113
Yates Center Bank Branch - Carnegie Public Library		107,812
Yates Center Bank Branch - Recreation Commission		6,712

The accompanying notes are an integral part of this statement.

Statement 1

Receipts	Expenditures	Ending Unencumbered Cash	Add Encumbrances and Accounts Payable	Ending Cash Balance
\$ 1,003,562	\$ 978,097	\$ 506,839	\$ 20,686	\$ 527,525
156,461	173,214	53,369	6,518	59,887
57,975	59,320	10,599	0	10,599
17,972	15,945	7,431	0	7,431
0	0	11,808	0	11,808
48,266	0	261,009	0	261,009
393	0	3,895	0	3,895
32,900	8,982	112,960	0	112,960
41,094	23,701	63,766	0	63,766
13,849	7,198	49,992	507	50,499
11,285	7,823	18,505	0	18,505
27,698	24,789	69,945	32	69,977
0	0	3,721	0	3,721
27,273	28,640	100,447	1,024	101,471
9	0	5,948	0	5,948
11,300	0	139,200	0	139,200
170,400	170,077	58,568	0	58,568
20,780	0	199,910	0	199,910
493,030	449,731	520,619	11,243	531,862
265,129	251,717	28,394	3,081	31,475
<u>2,399,376</u>	<u>2,199,234</u>	<u>2,226,925</u>	<u>43,091</u>	<u>2,270,016</u>
70,778	68,970	112,083	1,358	113,441
<u>19,536</u>	<u>15,861</u>	<u>13,399</u>	<u>0</u>	<u>13,399</u>
<u>90,314</u>	<u>84,831</u>	<u>125,482</u>	<u>1,358</u>	<u>126,840</u>
<u>\$ 2,489,690</u>	<u>\$ 2,284,065</u>	<u>\$ 2,352,407</u>	<u>\$ 44,449</u>	<u>\$ 2,396,856</u>
Certificates of deposit				
Piqua State Bank - City				\$ 20,000
Cash on hand				
City				10
Carnegie Public Library				<u>55</u>
Total cash balance				2,398,534
Agency cash per Schedule 3				<u>(1,678)</u>
Total reporting entity (excluding agency funds)				<u>\$ 2,396,856</u>

City of Yates Center, Kansas

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE A. MUNICIPAL REPORTING ENTITY

The City of Yates Center is a municipal corporation governed by an elected mayor and eight-member council. These financial statements present the City and its related municipal entities, entities for which the government is considered to be financially accountable. Each related municipal entity is reported on a separate line in the summary of cash receipts, expenditures and unencumbered cash to emphasize it is legally separate from the government. Each related municipal entity has a December 31 year end.

Related Municipal Entities

The Library provides reading and research materials for the residents of the City. The Board members for the Library are appointed by the City Council. Because the Library is not a separate taxing entity by state statutes, the City levies taxes for the Library's operations. The financial data of the Library is reported as a related municipal entity in Schedule 2 of the report.

The Recreation Commission provides recreational facilities and services for the residents of the City. The Board members for the Recreation Commission are appointed by the City Council. The Commission is not a separate taxing entity and therefore the City levies taxes for the Commission's operations. The financial data of the Recreation Commission is reported as a related municipal entity in Schedule 2 of the report.

Autonomous Entity

The Firemen's Relief Association provides insurance and other benefits to firemen. The Association's Board consists of firefighters elected by popular vote. Kansas statutes provide for funding by assessing a charge on fire insurance premiums paid. The Association is an autonomous entity and therefore its financial data is not included in these financial statements.

Related Organization

The Housing Authority was organized to provide a not-for-profit apartment facility for local elderly residents. The Housing Authority members are appointed by the Mayor with Council approval. The City has no responsibility for any liabilities incurred by the Housing Authority and provides no funding to the Housing Authority. The Housing Authority is not dependent upon the City of Yates Center. For these reasons, the Housing Authority is not considered to be a part of the City's reporting entity and therefore is not included in these financial statements.

NOTE B. REGULATORY BASIS FUND TYPES

The accounts of the City are organized and operated on the basis of funds. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Funds accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The City potentially could have the following type of funds.

General Fund -- the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Funds -- used to account for the proceeds of specific tax levies and other specific revenues sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest Fund -- used to account for the accumulation of resources, including tax levies, transfers from other funds and used to make payments of general long-term debt. Currently bond and interest payments are made through the utility funds and thus the City does not have a bond and interest fund at this time.

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE B. REGULATORY BASIS FUND TYPES - continued

Capital Project Fund -- used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment. The City does not have any of this type of fund during the year under audit.

Business Fund -- funds financed in whole or part by fees charged to users of goods or services (i.e. enterprise and internal service funds etc.).

Trust Fund -- funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipality reporting entity scholarship funds, etc). The City does not have any of this type of fund during the year under audit..

Agency Fund -- funds used to report assets held by the municipal reporting entity in purely a custodial capacity (payroll clearing fund, municipal court accounts, etc.).

NOTE C. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and departure from Accounting Principles Generally Accepted in the United States of America - The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligations against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt assignment to a fund, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than mentioned above.

City of Yates Center, Kansas has approved a resolution that it is in compliance with K.S.A. 75-1120a (c) waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

NOTE D. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were budget amendments for the following funds for 2015; General Fund, Water Works Utility Fund, Sewer System Fund, Ball Field Improvement, Economic Development and Special Recreation Facilities.

City of Yates Center, Kansas

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE D. BUDGETARY INFORMATION - continued

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

Adjustment for Qualifying Budget Credits – Municipalities may use this line item for any budgeted fund. The adjustment would be a positive amount. All budget adjustments must be authorized by Kansas statutes. Examples include: expenditure of federal grant monies, gifts and donations, and receipts authorized by law to be spent as if they were reimbursed expenses.

All legal annual operating budgets are prepared using the regulatory basis of accounting in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for the following special purpose and business funds:

Lincoln Park Memorial	Police Department Special Account
Water Rescue	Sewer Replacement
Light Hardware	Water Reserve

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing board.

NOTE E. CASH AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the bank to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices. The City rates investments (if any) as noted.

Concentration of credit risk – State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City has no investments other than money markets and certificates of deposit.

Custodial credit risk – deposits: Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. There were no designated "peak periods" during the year. All bank deposits were legally secured at December 31, 2015.

At December 31, 2015, the City's carrying amount of deposits was \$2,271,694 (which includes cash on hand of \$10) and the bank balance was \$2,274,512. The difference between the carrying amount and the bank balance was outstanding checks and outstanding deposits. The bank balance was held by two banks resulting in a concentration of

City of Yates Center, Kansas

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE E. CASH AND INVESTMENTS - continued

credit risk. Of the bank balance, \$270,000 was covered by FDIC insurance and \$2,004,512 was collateralized with securities held by the pledging financial institutions' agent in the City's name.

At December 31, 2015, the Carnegie Public Library's carrying amount of deposits was \$113,441 (which excludes petty cash of \$55) and the bank balance was \$115,114. The difference between the carrying amount and the bank balance was outstanding checks and outstanding deposits. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$115,114 was covered by FDIC insurance

At December 31, 2015, the Recreation Commission's carrying amount of deposits was \$13,399 and the bank balance was \$15,225. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$15,225 was covered by FDIC insurance.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments be adequately secured. The City had no such investments at year end.

NOTE F. LONG-TERM DEBT

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>
Revolving Loan:				
Kansas Water Pollution Control	3.14%	09/20/2000	\$ 2,738,507	03/01/2023
Kansas Department of Health and Environment	3.47%	06/22/2009	491,624	08/01/2030
Capital Leases:				
Diesel Generators	5.40%	12/28/2006	151,000	12/28/2016
Ball Field Improvements	5.40%	02/26/2007	30,000	02/26/2017
Land	6.50%	12/27/2007	156,000	12/27/2022
Fire Equipment	4.35%	04/07/2008	18,000	04/07/2015
Asphalt Zipper	3.73%	01/10/2011	95,045	01/10/2016

Changes in long-term debt for the City of Yates Center for the year ended December 31, 2015, were as follows:

	<u>Balance Beginning of year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest & Service fee Paid</u>
Revolving Loan:					
Kansas Water Pollution Control	\$ 1,246,926	\$ 0	\$ 128,891	\$ 1,118,035	\$ 41,187
Kansas Department of Health and Environment	370,798	0	17,186	353,612	14,002
Capital Leases:					
Diesel Generators	36,958	0	17,988	18,970	1,755
Ball Field Improvements	10,648	0	3,324	7,324	578
Land	97,036	0	11,067	85,969	2,442
Fire Equipment	2,916	0	2,916	0	127
Asphalt Zipper	37,916	0	17,489	20,427	1,497
	<u>\$ 1,803,198</u>	<u>\$ 0</u>	<u>\$ 198,861</u>	<u>\$ 1,604,337</u>	<u>\$ 61,588</u>

City of Yates Center, Kansas

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE F. LONG-TERM DEBT - continued

Current maturities of long-term debt for the next five years and in five year increments thereafter are as follows:

Year	Revolving Loan		Capital Leases		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 151,145	\$ 50,120	\$ 54,313	\$ 4,091	\$ 205,458	\$ 54,211
2017	156,390	44,875	15,409	2,061	171,799	46,936
2018	161,818	39,447	11,955	1,554	173,773	41,001
2019	167,435	33,831	12,266	1,242	179,701	35,073
2020	173,246	28,019	12,583	925	185,829	28,944
2021 to 2025	520,876	60,258	26,164	852	547,040	61,110
2026 to 2030	140,737	15,204	0	0	140,737	15,204
	<u>\$ 1,471,647</u>	<u>\$ 271,754</u>	<u>\$ 132,690</u>	<u>\$ 10,725</u>	<u>\$ 1,604,337</u>	<u>\$ 282,479</u>

NOTE G. INTERFUND TRANSFERS

Operating transfers were as follows:

From	To	Statutory Authority	Amount
General	Special Highway	K.S.A. 12-1118	\$ 155,697
General	Municipal Equipment	K.S.A. 12-1118	5,000
General	Multi-year Capital Improvement	K.S.A. 12-1118	27,450
General	Special Law and Emergency	K.S.A. 12-1118	34,622
General	Fire Protection	K.S.A. 12-1118	13,849
General	Ball Field Improvement	K.S.A. 12-1118	10,387
General	Economic Development	K.S.A. 12-1118	27,698
Waterworks	Water Reserve	K.S.A. 12-1118	20,400
Waterworks	Sewer Fund	K.S.A. 12-1118	20,000
Special Highway	Municipal Equipment	K.S.A. 12-1118	27,900
Sewer Fund	Sewer Fund Replacement	K.S.A. 12-1118	11,300
Sewer Fund	Sewer Debt Service	K.S.A. 12-1118	170,400

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Other Post Employment Benefits: As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retiree's health insurance plan because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been qualified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

The City has adopted by resolution a salary-reduction flexible benefit plan ("Plan") under Section 125 of the Internal Revenue Service Code. All full-time employees of the City are eligible to participate in the plan beginning the first day of the month following employment.

City of Yates Center, Kansas

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE H. OTHER LONG-TERM OBLIGATIONS FROM OPEARTIONS

Compensated Absences: The City's policies regarding vacation pay permits employees to accumulate vacation time earned in a twelve month period. Vacation is awarded based upon the number of years worked according to the following time frame: one week vacation after one year, two weeks after two years, three weeks after ten years and four weeks after twenty years. Vacation time may be carried over to the first three months following their employment year. Earned vacation leave shall be paid upon termination.

	<u>Balance January 1, 2015</u>	<u>Net Change</u>	<u>Balance December 31, 2015</u>
Compensated absences			
Vacation leave	\$ 14,618	\$ 7,043	\$ 21,661

The City's policies regarding sick leave permit employees to accumulate sick leave to a maximum of 90 days. Earned sick leave is not paid upon termination. The City also offers a shared sick leave policy whereby employees may donate accumulated sick leave to fellow employees within a given set of qualifications.

Compensated absences are paid by the fund from which the employee is normally paid.

NOTE I. DEFINED BENEFIT PENSION PLAN

Plan description. The City of Yates Center participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publically available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal revenue code.

State law provides that the employer contribution rates for KPERS 1, KPERS 2, and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 0.85% contribution for the Death and Disability Program) and the statutory contribution rate was 9.48% for KPERS for the fiscal year ended December 31, 2015. Contributions to the pension plan from the City were \$38,580 for KPERS for the year ended December 31, 2015.

Net Pension Liability

At December 31, 2015, the City of Yates Center's proportionate share of the collective net pension liability reported by KPERS was \$280,991. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014, which was rolled forward to June 30, 2015. The City of Yates Center's proportion of the net pension liability was based on the ratio of the City of Yates Center's contributions to KPERS, relative to the total employer and nonemployer contributions of the local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

City of Yates Center, Kansas

NOTES TO THE FINANCIAL STATEMENT

December 31, 2015

NOTE I. DEFINED BENEFIT PENSION PLAN

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

NOTE J. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the City carries commercial insurance. Liabilities related to risks of loss are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. During the last three years, claim settlements have not exceeded insurance coverage.

NOTE K. OTHER INFORMATION

As of year ended December 31, 2015 the City had placed enough funds into the sewer replacement account to comply with debt covenants as follows:

	<u>Actual</u>	<u>Required</u>
Principal and interest account	\$ <u>139,200</u>	\$ <u>113,000</u>

As of year ended December 31, 2015 the City had place enough funds into the water replacement account to comply with the covenants as follows:

	<u>Actual</u>	<u>Required</u>
Water reserve account	\$ <u>199,910</u>	\$ <u>150,000</u>

Subsequent Events: Management evaluated subsequent events through May 11, 2016. No subsequent events were identified which require disclosure.

**REGULATORY BASIS
SUPPLEMENTARY INFORMATION**

City of Yates Center, Kansas

Schedule 1

**SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
(Budgeted Funds Only)
REGULATORY BASIS
For the Year Ended December 31, 2015**

	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance Over (Under)
Governmental Type Funds					
General	\$ 1,157,799	\$ 0	\$ 1,157,799	\$ 978,097	\$ (179,702)
Special Purpose					
Special Highway	221,494	0	221,494	173,214	(48,280)
Library	59,320	0	59,320	59,320	0
Recreational Commission	17,000	0	17,000	15,945	(1,055)
Special Law & Emergency Vehicles	97,668	0	97,668	0	(97,668)
Special Parks and Recreation	495	0	495	0	(495)
Municipal Equipment	27,400	0	27,400	8,982	(18,418)
Multi-year Capital Improvement	42,804	0	42,804	23,701	(19,103)
Fire Protection Reserve	15,600	0	15,600	7,198	(8,402)
Ball Field Improvements	10,000	0	10,000	7,823	(2,177)
Economic Development	37,257	0	37,257	24,789	(12,468)
Special Recreational Facilities	53,100	0	53,100	28,640	(24,460)
Sewer Debt Service	170,077	0	170,077	170,077	0
Business Funds					
Waterworks	559,291	0	559,291	449,731	(109,560)
Sewer	283,700	0	283,700	251,717	(31,983)

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2a

**GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	2015			
	2014 Actual	Actual	Budget	Variance Over (Under)
Cash receipts				
Taxes				
Property	\$ 237,590	\$ 234,290	\$ 234,290	\$ 0
Delinquent	25,729	10,529	0	10,529
Motor vehicle	44,672	46,320	34,874	11,446
Recreational vehicle	616	606	313	293
16/20M vehicle	1,499	1,479	1,479	0
Escaped tax	0	54	0	54
Local sales tax	310,629	323,137	297,797	25,340
County sales tax	87,998	85,258	80,000	5,258
Special assessments	525	1,384	0	1,384
Total taxes	709,258	703,057	648,753	54,304
Intergovernmental				
Local alcohol liquor fund	329	394	0	394
Highway connecting links	60,126	59,961	59,961	0
Transfers in	3,511	0	0	0
Licenses and permits				
Utility franchise tax	76,891	71,710	69,487	2,223
Other licenses and permits	7,116	7,141	5,096	2,045
Impound fees	0	77	0	77
Charges for services				
Swimming fees	8,947	10,730	10,730	0
Fines and fees	104,765	117,629	97,007	20,622
Use of money and property				
Interest on idle funds	3,966	5,195	3,234	1,961
Oil production	2,691	1,039	0	1,039
Sale of asset	101	2,800	0	2,800
Reimbursed expenses	19,776	19,066	19,065	1
Miscellaneous	563	4,763	25,554	(20,791)
Total cash receipts	998,040	1,003,562	\$ 938,887	\$ 64,675
Expenditures				
General government				
General administration				
Salaries	72,932	67,743	\$ 86,409	\$ (18,666)
Contractual services	88,941	88,383	90,500	(2,117)
Commodities	6,144	17,061	12,500	4,561
Capital outlay	12,676	0	13,000	(13,000)
Total general administration	180,693	173,187	202,409	(29,222)

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014	Actual	Budget	Variance Over (Under)
Expenditures	Actual	Actual	Budget	(Under)
Utility service				
Contractual services	\$ 47,695	\$ 51,633	\$ 50,000	\$ 1,633
Employee benefits				
Workmen's compensation	14,493	12,998	12,480	518
Retirement contributions	32,237	38,580	39,520	(940)
FICA payments	32,017	35,703	41,339	(5,636)
Unemployment contributions	9,240	452	5,000	(4,548)
Total employee benefits	87,987	87,733	98,339	(10,606)
Total general government	316,375	312,553	350,748	(38,195)
Public safety				
Fire department				
Salaries	16,791	17,325	23,014	(5,689)
Contractual services	15,498	15,678	11,527	4,151
Commodities	6,065	4,615	8,770	(4,155)
Capital outlay	7,065	22,138	33,361	(11,223)
Total fire department	45,419	59,756	76,672	(16,916)
Law enforcement				
Salaries	180,928	198,278	209,406	(11,128)
Contractual services	28,594	33,080	37,856	(4,776)
Commodities	11,880	7,310	10,816	(3,506)
Capital outlay	677	0	3,640	(3,640)
Total law enforcement	222,079	238,668	261,718	(23,050)
Total public safety	267,498	298,424	338,390	(39,966)
Culture and recreation				
Swimming pool				
Salaries	21,730	34,175	21,768	12,407
Contractual services	9,679	17,656	8,000	9,656
Commodities	12,745	19,724	8,673	11,051
Capital Outlay	7,875	4,788	87,152	(82,364)
Total swimming pool	52,029	76,343	125,593	(49,250)

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2a

GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	2014	2015		Variance Over (Under)
		Actual	Budget	
Expenditures				
Park department				
Salaries	\$ 2,803	\$ 2,475	\$ 8,000	\$ (5,525)
Contractual services	11,826	13,280	10,000	3,280
Commodities	1,377	319	2,478	(2,159)
Capital outlay	0	0	5,000	(5,000)
Total park department	16,006	16,074	25,478	(9,404)
Operating transfers	287,059	274,703	317,590	(42,887)
Total expenditures	938,967	978,097	\$ 1,157,799	\$ (179,702)
Receipts over (under) expenditures	59,073	34,855		
Unencumbered cash, beginning	422,301	481,374		
Unencumbered cash, ending	\$ 481,374	\$ 516,229		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2b

SPECIAL PURPOSE FUND
SPECIAL HIGHWAY
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Intergovernmental	\$ 24,229	\$ 27,697	\$ 24,000	\$ 3,697
Miscellaneous	1,085	764	0	764
Reimbursed expenses	101	0	0	0
Operating transfers	<u>144,396</u>	<u>128,000</u>	<u>155,600</u>	<u>(27,600)</u>
Total cash receipts	<u>169,811</u>	<u>156,461</u>	<u>\$ 179,600</u>	<u>\$ (23,139)</u>
Expenditures				
Highways and streets				
Personal services	56,079	61,990	\$ 80,782	\$ (18,792)
Contractual services	24,288	6,826	25,000	(18,174)
Commodities	51,777	55,309	56,622	(1,313)
Capital outlay	0	0	10,000	(10,000)
Other	<u>0</u>	<u>0</u>	<u>17,500</u>	<u>(17,500)</u>
Total highways and streets	<u>132,144</u>	<u>124,125</u>	<u>189,904</u>	<u>(65,779)</u>
Debt service				
Principal	21,190	19,769	19,770	(1)
Interest	<u>2,205</u>	<u>1,420</u>	<u>1,420</u>	<u>0</u>
Total debt service	<u>23,395</u>	<u>21,189</u>	<u>21,190</u>	<u>(1)</u>
Operating transfers	<u>10,400</u>	<u>27,900</u>	<u>10,400</u>	<u>17,500</u>
Total expenditures	<u>165,939</u>	<u>173,214</u>	<u>\$ 221,494</u>	<u>\$ (48,280)</u>
Receipts over (under) expenditures	3,872	(16,753)		
Unencumbered cash, beginning	<u>66,250</u>	<u>70,122</u>		
Unencumbered cash, ending	<u>\$ 70,122</u>	<u>\$ 53,369</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2c

SPECIAL PURPOSE FUND

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET

REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Taxes				
Property	\$ 47,160	\$ 46,349	\$ 46,250	\$ 99
Delinquent tax	4,621	1,996	35	1,961
Motor vehicle tax	9,451	9,510	9,252	258
Recreation vehicle tax	127	120	126	(6)
16/20 Vehicle tax	<u>0</u>	<u>0</u>	<u>268</u>	<u>(268)</u>
Total cash receipts	<u>61,359</u>	<u>57,975</u>	<u>\$ 55,931</u>	<u>\$ 2,044</u>
Expenditures				
Appropriation	<u>54,270</u>	<u>59,320</u>	<u>\$ 59,320</u>	<u>\$ 0</u>
Receipts over (under) expenditures	7,089	(1,345)		
Unencumbered cash, beginning	<u>4,855</u>	<u>11,944</u>		
Unencumbered cash, ending	<u>\$ 11,944</u>	<u>\$ 10,599</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2d

SPECIAL PURPOSE FUND
RECREATION COMMISSION BOARD
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Taxes				
Property	\$ 14,920	\$ 14,304	\$ 14,273	\$ 31
Delinquent tax	1,452	630	0	630
Motor vehicle tax	2,874	3,000	3,000	0
Recreation vehicle tax	39	38	40	(2)
16/20 vehicle tax	<u>0</u>	<u>0</u>	<u>85</u>	<u>(85)</u>
Total cash receipts	<u>19,285</u>	<u>17,972</u>	\$ <u>17,398</u>	\$ <u>574</u>
Expenditures				
Culture and recreation				
Personal services	12,926	13,625	\$ 12,000	\$ 1,625
Appropriation	<u>2,803</u>	<u>2,320</u>	<u>5,000</u>	<u>(2,680)</u>
Total expenditures	<u>15,729</u>	<u>15,945</u>	\$ <u>17,000</u>	\$ <u>(1,055)</u>
Receipts over (under) expenditures	3,556	2,027		
Unencumbered cash, beginning	<u>1,848</u>	<u>5,404</u>		
Unencumbered cash, ending	\$ <u>5,404</u>	\$ <u>7,431</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2e

**SPECIAL PURPOSE FUND
LINCOLN PARK MEMORIAL
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014 Actual</u>	<u>2015 Actual</u>
Unencumbered cash, beginning	\$ <u>11,808</u>	\$ <u>11,808</u>
Unencumbered cash, ending	\$ <u><u>11,808</u></u>	\$ <u><u>11,808</u></u>

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2f

SPECIAL PURPOSE FUND
SPECIAL LAW AND EMERGENCY VEHICLES
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Taxes				
Property	\$ 11,080	\$ 10,895	\$ 10,870	\$ 25
Delinquent	1,166	484	0	484
Motor vehicle	2,172	2,162	2,173	(11)
Recreational vehicle	30	28	30	(2)
16/20M vehicle	67	72	63	9
Escaped tax	0	3	63	(60)
Operating transfers	<u>33,282</u>	<u>34,622</u>	<u>32,000</u>	<u>2,622</u>
Total cash receipts	<u>47,797</u>	<u>48,266</u>	<u>\$ 45,199</u>	<u>\$ 3,067</u>
Expenditures				
Public safety				
Capital outlay	0	0	\$ 94,630	\$ (94,630)
Fire equipment payment	<u>0</u>	<u>0</u>	<u>3,038</u>	<u>(3,038)</u>
Total expenditures	<u>0</u>	<u>0</u>	<u>\$ 97,668</u>	<u>\$ (97,668)</u>
Receipts over (under) expenditures	47,797	48,266		
Unencumbered cash, beginning	<u>164,946</u>	<u>212,743</u>		
Unencumbered cash, ending	<u>\$ 212,743</u>	<u>\$ 261,009</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2g

SPECIAL PURPOSE FUND
SPECIAL PARKS AND RECREATION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Local alcohol tax	\$ 329	\$ 393	\$ <u>200</u>	\$ <u>193</u>
Expenditures				
Other	<u>0</u>	<u>0</u>	\$ <u>495</u>	\$ <u>(495)</u>
Receipts over (under) expenditures	329	393		
Unencumbered cash, beginning	<u>3,173</u>	<u>3,502</u>		
Unencumbered cash, ending	\$ <u>3,502</u>	\$ <u>3,895</u>		

. See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2h

SPECIAL PURPOSE FUND
MUNICIPAL EQUIPMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Operating transfers	\$ 15,400	\$ 32,900	\$ <u>15,400</u>	\$ <u>17,500</u>
Expenditures				
General government				
Capital outlay	<u>0</u>	<u>8,982</u>	\$ <u>27,400</u>	\$ <u>(18,418)</u>
Receipts over (under) expenditures	15,400	23,918		
Unencumbered cash, beginning	<u>73,642</u>	<u>89,042</u>		
Unencumbered cash, ending	\$ <u>89,042</u>	\$ <u>112,960</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2i

**SPECIAL PURPOSE FUND
MULTI-YEAR CAPITAL IMPROVEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Taxes					
Property	\$ 11,074	\$ 10,895	\$ 10,872	\$ 23	
Delinquent	1,166	484	0	484	
Motor vehicle	2,172	2,162	2,231	(69)	
Recreational vehicle	30	28	30	(2)	
16/20M vehicle	67	72	63	9	
Escaped tax	0	3	0	3	
Total taxes	14,509	13,644	13,196	448	
Operating transfers	28,297	27,450	28,990	(1,540)	
Total cash receipts	42,806	41,094	\$ 42,186	\$ (1,092)	
Expenditures					
General government					
Capital outlay	3,209	9,752	\$ 0	\$ 9,752	
Parks	0	0	9,600	(9,600)	
Swimming pool	0	0	12,800	(12,800)	
Total general government	3,209	9,752	22,400	(12,648)	
Debt service					
Principal	10,786	11,095	20,404	(9,309)	
Interest	3,475	2,854	0	2,854	
Total debt service	14,261	13,949	20,404	(6,455)	
Total expenditures	17,470	23,701	\$ 42,804	\$ (19,103)	
Receipts over (under) expenditures	25,336	17,393			
Unencumbered cash, beginning	21,037	46,373			
Unencumbered cash, ending	\$ 46,373	\$ 63,766			

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2j

SPECIAL PURPOSE FUND
FIRE PROTECTION RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Operating transfers	\$ 13,313	\$ 13,849	\$ 12,800	\$ 1,049
Expenditures				
Public Safety				
Contractual	6,935	7,027	\$ 11,336	\$ (4,309)
Commodities	509	171	4,264	(4,093)
Total expenditures	7,444	7,198	\$ 15,600	\$ (8,402)
Receipts over (under) expenditures	5,869	6,651		
Unencumbered cash, beginning	37,472	43,341		
Unencumbered cash, ending	\$ 43,341	\$ 49,992		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2k

SPECIAL PURPOSE FUND
BALL FIELD IMPROVEMENTS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over
				(Under)
Cash receipts				
Miscellaneous				
Reimbursements	\$ 0	\$ 898	\$ 0	\$ 898
Operating transfers	<u>9,984</u>	<u>10,387</u>	<u>9,600</u>	<u>787</u>
Total receipts	<u>9,984</u>	<u>11,285</u>	<u>9,600</u>	<u>1,685</u>
Expenditures				
Special recreational facilities				
Improvements	<u>6,095</u>	<u>7,823</u>	\$ <u>10,000</u>	\$ <u>(2,177)</u>
Receipts over (under) expenditures	3,889	3,462		
Unencumbered cash, beginning	<u>11,154</u>	<u>15,043</u>		
Unencumbered cash, ending	\$ <u>15,043</u>	\$ <u>18,505</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 21

SPECIAL PURPOSE FUND
ECONOMIC DEVELOPMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Operating transfers	\$ 26,625	\$ 27,698	\$ 25,600	\$ 2,098
Expenditures				
General government				
Contractual	9,500	4,750	\$ 5,000	\$ (250)
Property Tax Incentives	3,311	0	3,500	(3,500)
Chamber allocation	18,370	18,370	18,370	0
County taxes	43	49	49	0
Mardi Gras Festival	1,576	1,620	5,338	(3,718)
Capital Outlay	3,113	0	5,000	(5,000)
Total expenditures	35,913	24,789	\$ 37,257	\$ (12,468)
Receipts over (under) expenditures	(9,288)	2,909		
Unencumbered cash, beginning	76,324	67,036		
Unencumbered cash, ending	\$ 67,036	\$ 69,945		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2m

SPECIAL PURPOSE FUND

WATER RESCUE

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL

REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014</u> <u>Actual</u>	<u>2015</u> <u>Actual</u>
Unencumbered cash, beginning	\$ <u>3,721</u>	\$ <u>3,721</u>
Unencumbered cash, ending	\$ <u><u>3,721</u></u>	\$ <u><u>3,721</u></u>

See Independent Auditor's Report.

City of Yates Center, Kansas**Schedule 2n****SPECIAL PURPOSE FUND
LIGHT HARDWARE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the Year Ended December 31, 2015****(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	2014 Actual	2015 Actual
Cash receipts		
Operating Transfers	\$ 1,932	\$ 0
Use of money and property	250	0
Miscellaneous	<u>5,697</u>	<u>0</u>
Total cash receipts	<u>7,879</u>	<u>0</u>
Expenditures		
Recreation		
Contractual	10,359	0
Commodities	1,329	0
Capital outlay	2,058	0
Operating Transfers	<u>3,511</u>	<u>0</u>
Total expenditures	<u>17,257</u>	<u>0</u>
Receipts over (under) expenditures	(9,378)	0
Unencumbered cash, beginning	<u>9,378</u>	<u>0</u>
Unencumbered cash, ending	<u>\$ 0</u>	<u>\$ 0</u>

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2o

SPECIAL PURPOSE FUND
SPECIAL RECREATIONAL FACILITIES
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Charges for services	\$ 10,180	\$ 3,928	\$ 3,431	\$ 497
Use of money and property	6,288	4,800	4,800	0
Miscellaneous	13,552	17,360	17,647	(287)
Donations	<u>1,028</u>	<u>1,185</u>	<u>1,185</u>	<u>0</u>
Total cash receipts	<u>31,048</u>	<u>27,273</u>	<u>\$ 27,063</u>	<u>\$ 210</u>
Expenditures				
Special recreational facilities				
Contractual services	8,734	2,422	\$ 26,900	\$ (24,478)
Commodities	1,897	5,018	5,000	18
Capital outlay	<u>13,837</u>	<u>21,200</u>	<u>21,200</u>	<u>0</u>
Total expenditures	<u>24,468</u>	<u>28,640</u>	<u>\$ 53,100</u>	<u>\$ (24,460)</u>
Receipts over (under) expenditures	6,580	(1,367)		
Unencumbered cash, beginning	<u>95,234</u>	<u>101,814</u>		
Unencumbered cash, ending	<u>\$ 101,814</u>	<u>\$ 100,447</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2p

**SPECIAL PURPOSE FUND
POLICE DEPARTMENT SPECIAL ACCOUNT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Use of money and property	\$ <u>9</u>	\$ <u>9</u>
Expenditures		
Public safety		
Commodities	<u>0</u>	<u>0</u>
Receipts over (under) expenditures	9	9
Unencumbered cash, beginning	<u>5,930</u>	<u>5,939</u>
Unencumbered cash, ending	\$ <u><u>5,939</u></u>	\$ <u><u>5,948</u></u>

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2g

**SPECIAL PURPOSE FUND
SEWER REPLACEMENT
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Operating transfer	\$ <u>11,300</u>	\$ <u>11,300</u>
Total Cash Receipts	<u>11,300</u>	<u>11,300</u>
Expenditures	<u>0</u>	<u>0</u>
Receipts over (under) expenditures	11,300	11,300
Unencumbered cash, January 1	<u>116,600</u>	<u>127,900</u>
Unencumbered cash, December 31	<u><u>\$ 127,900</u></u>	<u><u>\$ 139,200</u></u>

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2r

SPECIAL PURPOSE FUND
SEWER DEBT SERVICE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		
	2014			Variance
	Actual	Actual	Budget	Over (Under)
Cash receipts				
Operating transfer	\$ 170,400	\$ 170,400	\$ 170,077	\$ (323)
Expenditures				
Debt service				
Principal	124,629	128,890	128,890	0
Interest	42,097	38,150	38,150	0
Service fee	3,352	3,037	3,037	0
Total expenditures	<u>170,078</u>	<u>170,077</u>	<u>\$ 170,077</u>	<u>\$ 0</u>
Receipts over (under) expenditures	322	323		
Unencumbered cash, January 1	<u>57,923</u>	<u>58,245</u>		
Unencumbered cash, December 31	<u>\$ 58,245</u>	<u>\$ 58,568</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2s

**SPECIAL PURPOSE FUND
WATER RESERVE
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
For the Year Ended December 31, 2015
(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	2014 Actual	2015 Actual
Cash receipts		
Use of money and property	\$ 338	\$ 380
Operating transfer	<u>20,400</u>	<u>20,400</u>
Total cash receipts	<u>20,738</u>	<u>20,780</u>
Expenditures		
Operations		
Contractual services	<u>0</u>	<u>0</u>
Receipts over (under) expenditures	20,738	20,780
Unencumbered cash, January 1	<u>158,392</u>	<u>179,130</u>
Unencumbered cash, December 31	<u>\$ 179,130</u>	<u>\$ 199,910</u>

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2t

BUSINESS FUND
WATERWORKS
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		<u>2015</u>		
	<u>2014</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	<u>Actual</u>			<u>Over</u>
				<u>(Under)</u>
Cash receipts				
Charges for services	\$ 464,965	\$ 469,450	\$ 475,000	\$ (5,550)
Water protection fee	1,133	1,289	1,209	80
Use of money and property	17,160	21,115	29,557	(8,442)
Reimbursed expenses	775	189	189	0
Miscellaneous	1,983	269	150	119
State set-off program	578	718	718	0
Total cash receipts	<u>486,594</u>	<u>493,030</u>	<u>\$ 506,823</u>	<u>\$ (13,793)</u>
Expenditures				
Operations				
Personal services	96,714	111,296	\$ 154,960	\$ (43,664)
Contractual services	82,801	109,825	110,000	(175)
Commodities	116,362	125,002	120,000	5,002
Capital outlay	33,126	42,289	23,000	19,289
Water improvement project	40,850	1,175	60,000	(58,825)
Total operations	<u>369,853</u>	<u>389,587</u>	<u>467,960</u>	<u>(78,373)</u>
Debt service				
Principal	17,055	18,432	49,176	(30,744)
Interest	2,689	1,312	1,755	(443)
Total debt service	<u>19,744</u>	<u>19,744</u>	<u>50,931</u>	<u>(31,187)</u>
Operating transfers	<u>46,400</u>	<u>40,400</u>	<u>40,400</u>	<u>0</u>
Total expenditures	<u>435,997</u>	<u>449,731</u>	<u>\$ 559,291</u>	<u>\$ (109,560)</u>
Receipts over (under) expenditures	50,597	43,299		
Unencumbered cash, January 1	<u>426,723</u>	<u>477,320</u>		
Unencumbered cash, December 31	<u>\$ 477,320</u>	<u>\$ 520,619</u>		

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 2a

BUSINESS FUND

SEWER

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

		2015		Variance Over (Under)	
	2014 Actual	Actual	Budget		
Cash receipts					
Charges for services	\$ 238,887	\$ 243,801	\$ 260,000	\$ (16,199)	
Reimbursement	200	0	540	(540)	
Miscellaneous	0	610	0	610	
Set-off program	578	718	717	1	
Operating transfer	<u>26,000</u>	<u>20,000</u>	<u>20,000</u>	<u>0</u>	
Total cash receipts	<u>265,665</u>	<u>265,129</u>	<u>\$ 281,257</u>	<u>\$ (16,128)</u>	
Expenditures					
Operations					
Personnel	0	0	\$ 97,000	\$ (97,000)	
Contractual services	64,369	68,371	5,000	63,371	
Commodities	541	1,646	0	1,646	
Capital outlay	<u>4,412</u>	<u>0</u>	<u>0</u>	<u>0</u>	
Total operations	<u>69,322</u>	<u>70,017</u>	<u>102,000</u>	<u>(31,983)</u>	
Operating transfers	<u>181,700</u>	<u>181,700</u>	<u>181,700</u>	<u>0</u>	
Total expenditures and budget credits	<u>251,022</u>	<u>251,717</u>	<u>\$ 283,700</u>	<u>\$ (31,983)</u>	
Receipts over (under) expenditures	14,643	13,412			
Unencumbered cash, January 1	<u>339</u>	<u>14,982</u>			
Unencumbered cash, December 31	<u>\$ 14,982</u>	<u>\$ 28,394</u>			

See Independent Auditor's Report.

City of Yates Center, Kansas**Schedule 2v****RELATED MUNICIPAL ENTITY
CARNEGIE PUBLIC LIBRARY GENERAL FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS**

For the Year Ended December 31, 2015

(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)

	2014 Actual	2015 Actual
Cash receipts		
Intergovernmental	\$ 64,346	\$ 68,816
Fines and forfeitures	1,388	1,663
Use of money and property	295	299
Total cash receipts	<u>66,029</u>	<u>70,778</u>
Expenditures		
Culture and recreation		
Personal services	48,368	48,829
Contractual	6,065	6,960
Commodities	11,592	13,181
Total expenditures	<u>66,025</u>	<u>68,970</u>
Receipts over (under) expenditures	4	1,808
Unencumbered cash, January 1	<u>110,271</u>	<u>110,275</u>
Unencumbered cash, December 31	<u>\$ 110,275</u>	<u>\$ 112,083</u>

See Independent Auditor's Report.

City of Yates Center, Kansas**Schedule 2w****RELATED MUNICIPAL ENTITY
RECREATION COMMISSION
SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS****For the Year Ended December 31, 2015****(With Comparative Actual Totals for the Prior Year Ended December 31, 2014)**

	<u>2014 Actual</u>	<u>2015 Actual</u>
Cash receipts		
Intergovernmental		
City of Yates Center	\$ 2,803	\$ 2,320
Charges for services		
Entry fees	4,378	8,227
Concession	2,840	3,113
Use of money and property	17	10
Donations	<u>6,471</u>	<u>5,866</u>
Total cash receipts	<u>16,509</u>	<u>19,536</u>
Expenditures		
Culture and recreation		
Improvements	15,056	0
Equipment and supply	9,825	5,570
Repairs and maintenance	5,312	2,945
Mowing	2,382	0
Miscellaneous	3,103	5,045
Tournament supplies	109	0
Concessions	<u>2,906</u>	<u>2,301</u>
Total expenditures	<u>38,693</u>	<u>15,861</u>
Receipts over (under) expenditures	(22,184)	3,675
Unencumbered cash, January 1	<u>31,908</u>	<u>9,724</u>
Unencumbered cash, December 31	<u>\$ 9,724</u>	<u>\$ 13,399</u>

See Independent Auditor's Report.

City of Yates Center, Kansas

Schedule 3

**AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS
For the Year Ended December 31, 2015**

Fund	Cash Balance January 1, 2015	Cash Receipts	Cash Disbursements	Cash Balance December 31, 2015
Municipal Court	\$ 1,005	\$ 131,137	\$ 130,996	\$ 1,146
Municipal Court Bonds	1,025	891	1,916	0
Retirement	<u>3,894</u>	<u>0</u>	<u>3,362</u>	<u>532</u>
Total agency funds	<u>\$ 5,924</u>	<u>\$ 132,028</u>	<u>\$ 136,274</u>	<u>\$ 1,678</u>

See Independent Auditor's Report.